

PM's speech on housing: 26 June 2019

Thank you very much, Gaby, and good afternoon everyone.

It is a pleasure to be here with you all today, at Europe's largest housing festival.

I have to say, I was a little apprehensive when I saw where you were meeting this year.

The last time I visited this venue it was hosting the 2017 Conservative Party conference – when, it is fair to say, I had one or two problems with my speech.

But I have checked that the backdrop is good and solid.

There is someone backstage with my cough sweets ready.

And if anyone is planning on running on stage waving a P45.

You are a little bit late.

Because of course, in a few weeks from now I will be stepping down as Prime Minister.

And it will fall to a new leader, a new government, to continue the vital work of making this a country where each and every person has a safe and secure home to call their own.

Doing that was one of the challenges I set myself when I spoke from the steps of Downing Street a little under three years ago.

And three years on, there is still much to do.

But I am immensely proud of what you and I have achieved together.

Because hand in hand, step by step and piece by piece, the government and the sector have begun to turn around the crisis in British housing.

In our 2015 manifesto we promised to deliver a million new homes by 2020, a promise we restated at the general election two years later.

Commentators and critics said it could not happen.

But it is happening.

Last year alone saw more additional homes delivered than in all but one of the previous 31.

Since I became Prime Minister, the number of net additions has been growing right across England.

Here in Greater Manchester the number of extra homes being created has risen by more than 12 per cent.

In Nottingham, by 43 per cent.

In Birmingham, by an enormous 80 per cent.

The notable exception is London – where housing policy is in the hands of the Mayor, and the number of new homes being created has actually fallen by a staggering 20 per cent.

But nationwide, the picture is bright.

The number of affordable housing starts has been increasing year-on-year.

And the latest projections show that, by this autumn, a million homes will have been added to our national supply in less than five years.

A million homes for young families, for hardworking professionals, for downsizing retirees.

A million homes giving more people the safety and security that many of us take for granted.

A million homes that show that our promises are more than just words.

It is a great achievement and one of which everyone involved should be proud.

But it was never intended to be the final goal.

The housing shortage in this country began not because of a blip lasting one year or one Parliament, but because not enough homes were built over many decades.

The very worst thing we could do would be to make the same mistake again.

So while it has taken a huge effort to get this far, we are only just getting started.

The job is not done, the work is not over.

And that is why, in contrast to previous administrations, the reforms I have concentrated on over the past three years have not just been about addressing the immediate shortage.

Because, important though that is, we must also fight long-term structural problems with long-term structural action.

And that means creating the conditions that guarantee a lasting supply not just of the homes we need today, but of the homes we will need tomorrow.

For the first time in almost half a century we have a Ministry of Housing dedicated to that task – and, under its excellent Secretary of State, it is making exceptional progress.

Our reforms of planning rules have made it easier to get more of the right homes built in the right places.

For example we have given local authorities greater freedom to make the most of brownfield sites.

We have standardised the way we assess the need for new homes in different areas.

And we have made developers more accountable for delivering on their commitments.

The £5.5 billion housing infrastructure fund is making it possible for developers to build on sites that were not previously viable, and giving new communities the infrastructure they need in order to thrive.

Our funding for Garden Towns and Villages supports local authorities and developers as they create vibrant communities where people will be able to live, work and play for generations to come.

And the Community Housing Fund is helping local people come together to plan and build the homes and facilities they want and need in their areas.

Of course, there's no point building the homes we need if nobody can afford to live in them.

That is why we are restoring the dream of home ownership for a new generation – giving more than half a million households a step up the housing ladder with schemes like Help to Buy, and taking 80 per cent of first time buyers out of stamp duty altogether.

It is no accident that the number of first-time buyers is at its highest level for more than a decade.

So I am immensely proud to be leaving office with home ownership resurgent.

After all, the idea of the property-owning democracy has been at the heart of Conservative thinking since Noel Skelton and a young Harold Macmillan first spoke of it almost a century ago.

But too many governments – including, I am not afraid to say, the one in which I served as Home Secretary – have concentrated solely on boosting home ownership, as if supporting those struggling to find a home to rent was somehow contrary to such an aim.

Under this government that attitude has changed.

We recognise there are people for whom home ownership will be never be a realistic aim.

That there are others for whom renting is an unavoidable reality at one time or another.

And that some people simply choose to rent, especially if it allows them to live in an area they would otherwise struggle to afford.

Being able to choose to rent a decent home in the place that suits you best is a vital part of a healthy housing system, one we see in every major developed economy.

Across England, more than 18 million people from every walk of life woke up this morning in a rental property.

And no government should ignore the needs of so many of its citizens.

So yes, I want to see as many people as possible enjoying all the benefits of home ownership.

But that should not stop us working to improve renting too – and this government has taken real action to do just that.

First, we have moved to increase the supply of affordable rental properties in order to meet the rising demand.

We have ended the forced sale of high-value council properties.

Put £2 billion of extra funding into the Affordable Housing Programme with an explicit provision for building homes for social rent.

And abolished the HRA cap so that local authorities are free to build once more.

We are already seeing the results – just last week came the news that Liverpool is to start building council housing for the first time in three decades.

Five year rent certainty has given housing associations the financial security they need to borrow, invest, and build.

And changes to the National Planning Policy Framework, first announced in our ground-breaking Housing White Paper, have encouraged private sector developers to create more “Build to Rent” properties.

But our truly radical reforms, our biggest breaks with the past, have come in our work to support those who rent.

We are rebalancing the relationship between tenant and landlord, making major changes that will make an immediate and lasting impact on the lives of millions of families.

In the private sector we have already capped the size of rent deposits and abolished letting fees, cutting the amount tenants have to find up front and making it harder for landlords and agents to take advantage of desperate house-hunters.

Now we are going further.

Because, if you rent a property it might not be your house but it is still your home.

And to me, that means that if you pay your rent, play by the rules and keep the house in good order, your landlord should not be allowed to throw you out on a whim.

It is simply not fair.

So we are bringing to an end the practice of so-called “no-fault” evictions, repealing section 21 of the 1988 Housing Act.

A consultation on the changes will be published shortly, with a view to introducing legislation later this year.

For tenants in England’s four million social homes we have scrapped the so-called “pay to stay” policy and confirmed that this government will not pursue plans to abolish lifetime tenancies for new council tenants.

We have retained supported housing in the welfare system – listening to those who know best about how to protect our most vulnerable citizens.

And, most important of all, with our Social Housing Green Paper we are delivering a once-in-generation package of reforms and support for social housing.

The fire at Grenfell Tower was a human tragedy on an unprecedented scale.

But it also shone a much-needed light on the issues facing social housing and the people who live in it – not just within the Lancaster West estate, but right across the country.

This year marks the centenary of what became known as the Addison Act, the post-war “Homes fit for Heroes” legislation that first provided government funding for council housing.

Yet in recent decades and under successive governments, social housing became another victim of the single-minded drive for home ownership.

The results were all too clear – both in the testimony we have heard from Grenfell tenants, and in the 8,000 conversations and submissions that informed the green paper.

Across the country, people complained of living in substandard or unsuitable housing – and said they felt ignored and disrespected by their often remote and unaccountable landlords.

I have always been clear that this green paper must not be simply an intellectual exercise highlighting the nature of the problem.

It must be the practical first step in actually fixing it.

So today I can announce that the next stage in the process, our action plan

and timetable for implementing wide-ranging reforms of social housing, will be published in September.

It will include the creation of a stronger consumer regulation regime for social housing, enhancing tenants' rights and making it easier to enforce them.

Changes to the way complaints are resolved, so that tenants know exactly how to raise concerns and can be confident their voices will be heard and acted on.

Empowering residents still further by requiring landlords to demonstrate how they have engaged with their tenants.

And a commitment to further boost the supply of high-quality social housing through the Affordable Homes Programme and other funding.

A hundred years after the introduction of Britain's first council houses, I want to see not just homes that people have to live in but homes they want to live in, homes they can be proud to live in.

And that drive for greater quality, for higher standards, should extend right across the housing industry.

For too long we have allowed ourselves to think there must be a trade-off between quality and quantity, that raising one means reducing the other.

It is simply not true.

I do not accept that, in 2019, we can only have sufficient and affordable housing by compromising on standards, safety, aesthetics, and space.

That is why I asked the Building Better, Building Beautiful Commission to develop proposals for embedding beautiful, sustainable and human-scale design into the planning and development process.

I look forward to reading the interim report next month.

It is why the Ministry of Housing will shortly be launching a consultation on environmental performance in new build homes, with a Future Homes Standard that will give all new homes world-leading levels of energy efficiency by 2025.

And it is why I want to see changes to regulations so that developers can only build homes that are big enough for people to actually live in.

It was the Addison Act that brought modern space standards to English housing law for the first time.

During the Bill's second reading, the architect of the standards, Sir Tudor Walters, urged MPs to "take care that the houses planned in the future are planned with due regard to comfort, convenience, and the saving of labour".

It is a message we would do well to return to today.

Because in the years since, the pendulum has swung back and forth between regulation and deregulation, leading to a situation today where England does have national standards – but ones that are largely unenforceable and inconsistently applied.

Some local authorities include the Nationally Described Space Standard in their local plans, making them a condition of planning permission.

But others do not.

And even where they are applied, as planning policies rather than regulations they are open to negotiation.

The result is an uneven playing field, with different rules being applied with differing levels of consistency in different parts of the country.

That makes it harder for developers to build homes where they are needed most.

And it leaves tenants and buyers facing a postcode lottery – if space standards are not applied in your area, there is no guarantee that any new homes will be of an adequate size.

Now I am no fan of regulation for the sake of regulation.

But I cannot defend a system in which some owners and tenants are forced to accept tiny homes with inadequate storage.

Where developers feel the need to fill show homes with deceptively small furniture.

And where the lack of universal standards encourages a race to the bottom.

It will be up to my successor in Downing Street to deal with this.

But I believe the next government should be bold enough to ensure the Nationally Described Space Standard applies to all new homes.

As a mandatory regulation, space standards would become universal and unavoidable.

That would mean an end to the postcode lottery for buyers and tenants.

And an end to the era of too-small homes that keep the housing numbers ticking over, but are barely fit for modern family life.

I reject the argument that such a change will make building less likely.

In fact it will have the opposite effect – a more strictly applied minimum would remove the commercial disincentive to develop sites in areas with stricter standards.

And by providing a clear and uniform national standard it will increase the possibilities for the kind of off-site manufacturing we see being pioneered here in the Northern Powerhouse.

Thanks to this government and the people in this room we are already building more.

Now we must build bigger.

We must build better.

And we must build more beautiful.

The measures I have set out today will help achieve that.

But while many of the programmes introduced over the past three years have laid the foundations for building the homes of tomorrow, it will of course fall on my successor as Prime Minister to see the job through.

To maintain and build momentum.

To keep the pressure on planners, developers, builders and, yes, the rest of government.

And, when asked how to bring an end to the housing crisis in this country, to answer not just with numbers, but with ideas.

To set out what homes will be built where and why.

How they will be funded.

What infrastructure will be needed to support them.

What standard they will be built to.

How local people and local councils will be persuaded to support them.

And how you will protect, enhance and enforce the rights of the people who live in them.

Because few other areas of public policy better demonstrate the rule that politicians who propose simple answers to complex problem are seldom being entirely honest.

Promising to build however many homes is easy.

But as you all know, getting the right homes built in the right place is considerably harder.

There is no single silver bullet.

No button to press or lever to pull that can magically make millions of homes appear overnight.

It requires concerted action on many fronts.

A thousand small changes that, when taken together, bring about the revolution we want and need to see.

It is the political world's focus on the grand gesture rather than incremental change that is partly responsible for the crisis we are dealing with today.

Successive governments were unwilling to get into the detail of housing policy, so simply sat back and relied on the industry to build enough homes.

Under this government that attitude has changed.

There has not been a single, big bang moment.

No one measure to grab the front pages and silence the critics.

But quietly, step by step and day by day, we have been working with you to bring an end to the housing crisis.

And the results speak for themselves.

We promised a million more homes, we delivered a million more homes.

We promised a better deal for renters, we have started to deliver a better deal for renters.

We promised a whole new approach to social housing, and we are delivering a whole new approach to social housing.

Because this is a government with a bold vision for housing and a willingness to act on it.

A government that has delivered radical reforms for today, and the permanent structural changes that will continue to benefit the country for decades to come.

There remains much to do.

But over the past three years we have shown what can be achieved.

Everyone in this hall can look back with pride at the change that has already taken place.

And everyone in this country can look ahead to a future in which each of us has a safe, affordable place to call home.